



Apple Health *Plus* – A churn solution

Health Insurance Exchange Summit, May 1, 2013

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Washington Context

2014: Washington Medicaid

- Different populations covered at different eligibility levels:
- MAGI Medicaid
 - **Children: 300%** of the Federal Poverty Level (FPL)
 - **Pregnant Women: 185%** of the FPL
 - **Parents and Childless Adults: 138%** of the FPL
- Classic Medicaid
 - **Aged, Blind and Disabled: ~75%** of the FPL





washington healthplanfinder

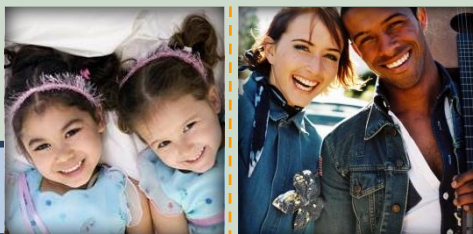
powered by the Washington Health Benefit Exchange

Medicaid Managed Care



Automatic
Assignment

Family Income:
\$47,000 (200% FPL)



Consumer
Selects

Churn / Split-Family Coverage

Qualified Health Plans



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GOAL:

Consumer Choice with
Whole-Family Coverage AND
Churn Reduction

Churn – the problem for families

Churn/Split Family Coverage

- Changing life circumstances & different Medicaid eligibility levels for children, parents & pregnant women result in:
 - ❖ Mixed coverage from different plans – Apple Health for Kids, Medicaid, Qualified Health Plans
 - ❖ Disruption of provider relationships and care
 - ❖ Unnecessary duplication of tests and treatment plan revisions
 - ❖ Increased administrative expense for health plans
 - ❖ Decreased incentive for health plans/providers to invest in longer-term care management and coordination activities
 - ❖ Administrative difficulty in managing benefits /measuring quality when enrollees switch health plans frequently

How do we know churn is a problem?

Income at Initial Determination v. Actual Annual Income for Enrollment Year

Row Percent	[- - - - - Final FPL Range - - - - -]				
Initial FPL Range	<139% FPL	139%-400% FPL	>400% FPL	TOTAL	
<139% FPL	68.9%	23.7%	7.4%	100.0%	
139%-400% FPL	21.7%	65.5%	12.8%	100.0%	
>400% FPL	13.5%	46.1%	40.3%	100.0%	
TOTAL	47.0%	39.9%	13.1%	100.0%	
Initial FPL Range	<139% FPL	139%-200% FPL	201%-400% FPL	>400% FPL	TOTAL
<200% FPL	63.0%	13.3%	16.3%	7.3%	100.0%
139%-200% FPL	33.0%	24.2%	35.8%	unreliable	100.0%
201%-400% FPL	15.8%	14.2%	54.2%	15.7%	100.0%
>400% FPL	13.5%	8.1%	38.0%	40.3%	100.0%

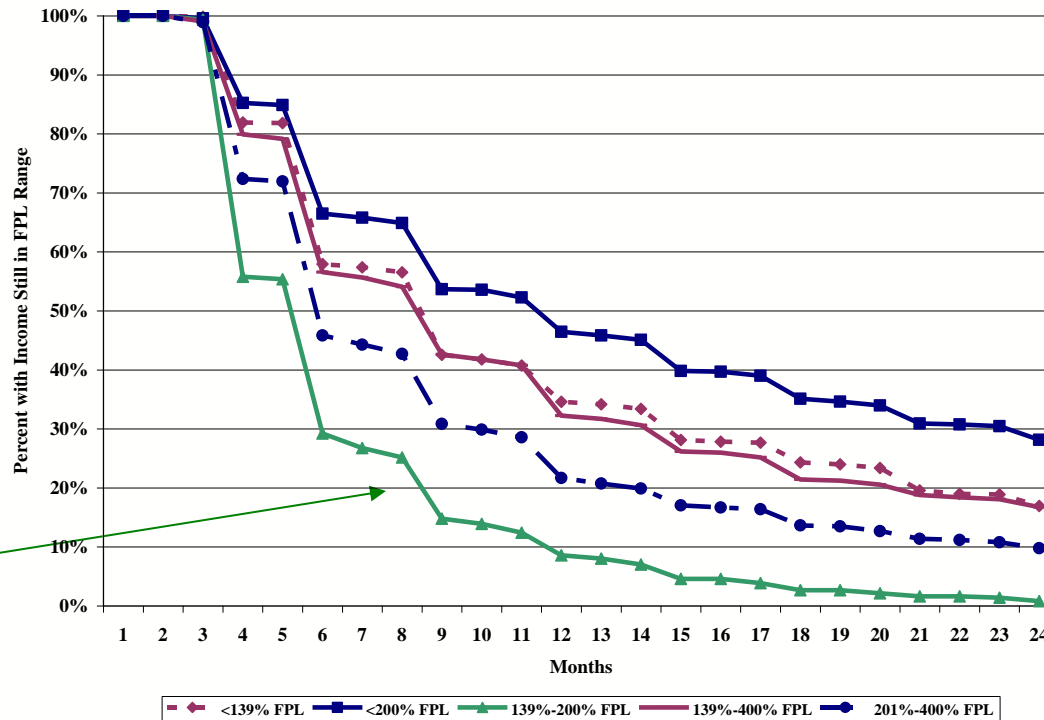
Notes: Based on Washington State adults age 19-64 without employer-sponsored insurance (ESI) at initial determination. FPL = federal poverty level. Source: SIPP analysis by John A. Graves, Ph.D.

<http://www.hca.wa.gov/hcr/me/Pages/policies.aspx#churn>

Who is likely to experience churn?

- Over several years, very few stay in the 139-200% FPL income range

Retention in Initial (Current) Income Level (WA Adults 19-64)



139%-200% FPL



Apple Health *Plus* – one solution

Apple Health *Plus* - Overview

- Exchange QHPs participate in Medicaid on limited basis to serve adult churners and children of Exchange parents.
 - ❖ Plan participation solicited through an open application process
 - ❖ All Medicaid contractual requirements apply to Apple Health *Plus* plans
 - ❖ Align Exchange/Medicaid eligibility and enrollment periods for adults and children (to the degree possible)
 - ❖ Same provider network available between QHPs and Apple Health *Plus*
 - ❖ Apple Health *Plus* provides full Medicaid benefits
 - ❖ Targeting January 1, 2014 start-up
 - ❖ Apple Health *Plus* serves as a bridge to a more comprehensive churn/whole-family coverage solution or better marketplace alignment.

Apple Health *Plus* - Populations

- **Medicaid/CHIP eligible children of parents enrolled in QHP** remain in Apple Health *Plus* for full duration of 12-month continuous eligibility
- **Pregnant women** receive full Medicaid coverage through Apple Health *Plus* with no cost-sharing / return to same QHP after post-partum period
- **Adult churners** have Apple Health *Plus* option until next open-enrollment period
- For more information:

<http://www.hca.wa.gov/hcr/me/Pages/policies.aspx#churn>

Churn / Split-Family Coverage

Medicaid Managed Care



Family of Three

Income:

\$42,390 = 217% FPL



GOAL:

Continued coverage & care
although circumstances change

Qualified Health Plans



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Churn / Split-Family Coverage

Medicaid Managed Care



Mom Becomes Pregnant

Income (Family of Four):

\$42,390 = **180% FPL**



GOAL:

Continued coverage & care
although circumstances change

Qualified Health Plans



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Churn / Split-Family Coverage

Medicaid Managed Care



Family of Four

Income:

\$42,390 = 180% FPL



GOAL:

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Qualified Health Plans



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Churn / Split-Family Coverage

Medicaid Managed Care



Dad Loses His Job

Mom's Income:
\$20,000 = **Approx. 85% FPL**



Qualified Health Plans



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Churn / Split-Family Coverage

Medicaid Managed Care



Dad Re-Employed

Income (Family of Four):
\$60,000 = 254% FPL



GOAL:

Continued coverage & care
although circumstances change

Qualified Health Plans



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